

Travel Managers Deal with Spending Surges and Cuts

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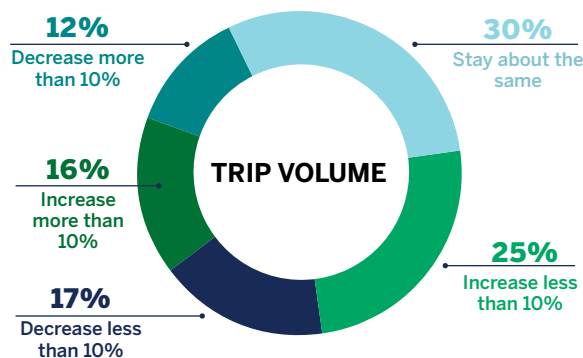
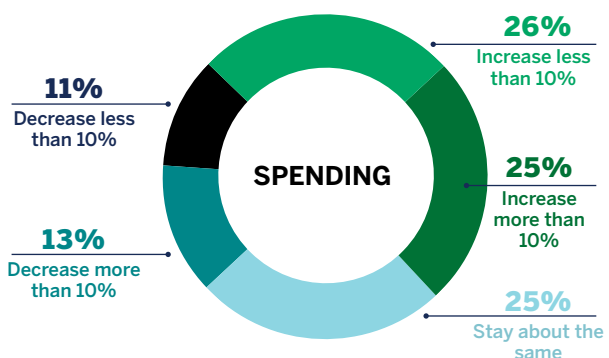
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51% EXPECT 2025 SPENDING INCREASES OVER 2024

Fall typically marks the start of the last major surge in business travel. Business travelers hit the road to close final sales, meet year-end revenue goals, launch new products or find new sales prospects at industry meetings. However, 2025 has been far from typical. In a September survey of 111 travel managers conducted by the BTN Group exclusively for Enterprise Mobility, 41% of buyers expect travel spending September through December to increase as compared to a year ago. (A quarter expect an increase of more than 10% over 2024.) About 35% expect spending to remain the same while 25% forecast a drop. So, will we see a typical fall business travel season this year?

For all of 2025, 51% of travel managers expect their spending volume to increase over 2024, according to the September survey. That level of optimism was last tracked in early 2025 as 53% of more than 300 buyers surveyed for a BTN [State of the Industry 2025 report](#) expected travel spending to increase over 2024 volume. The optimism waned by April as BTN editors noted that only 43% of buyers surveyed in a follow-up poll expected spending volumes to rise this year.

2025 ORGANIZATIONAL VOLUMES VS. 2024



As of September, buyers report a multitude of reasons for travel spending increases: client demand, new contracts, government policy and tariff negotiations/lobbying, large meetings, increased meetings/events, acquisitions to expand global footprint, more employees traveling, increased client visits to finish off the year, and the push for more revenue. A few said higher travel costs were driving their spending increases while one noted, “Inflation has driven the cost of meals, flights and hotels up while our travel needs are unchanged.”

Other reasons why spend, or trip volumes, are increasing:

- “We rolled out a new product, so travel will not be slowing down for the rest of the year.”
- “We have acquired a few new entities to expand our global footprint and with that expansion teammates must travel to integrate the new entities into our system.”
- “Travel and projects are increasing, but budgets are still tight, and we anticipate higher use of award/reward programs.”

For every buyer explaining why their travel spending is increasing, an equal number offered rationale for static or decreased travel volume: travel freezes, budget cuts or constraints, management directives to reduce T&E by 10% in 2025, management initiatives to reduce all operating expenses or non-revenue producing travel. Said others:

- “Other costs increasing, i.e. tariffs.”
- “Safety of business travelers coming to the U.S.”
- “Travelers will try to spend all of their remaining travel budget for 2025 as their budgets will be tighter in 2026.”

POLICIES, APPROACHES VARY TO CONTROL COSTS, TRAVELERS

As many suppliers have repeatedly told investors on earnings calls this year, volume and policies vary considerably by corporation and industry segment. We’ll take a deeper dive into some of them.

Key Findings: Ground Transportation Policy, Trends

Cost savings and traveler preferences are influencing patterns, new supplier inclusions

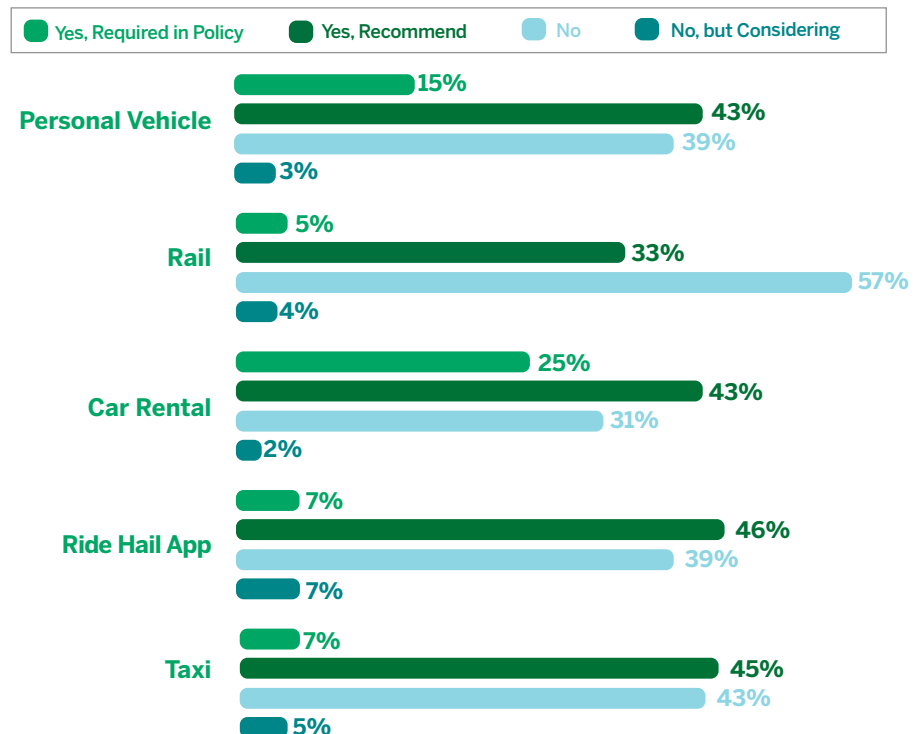
GROUND TRANSPORTATION REMAINS LARGELY OUTSIDE TRAVEL POLICY AND GUIDELINES

Most organizations recommend rather than mandate use of ground transportation options in travel policy or training or have no guidelines in place for travelers around use of a personal vehicle, renting a car, taking a taxi, or traveling by rail.

About one-quarter of buyers surveyed said their organization has a policy requirement that travelers rent a car when ground transportation is needed. That’s the highest share of respondents who currently have a policy mandate around any category of ground transport and likely reflects a strategy to support bookings of preferred car rental suppliers.

GUIDING, TRAINING, MANDATING GROUND TRANSPORT DECISIONS

In your travel or expense policy or training, do you guide or mandate when travelers should use a personal vehicle, car rental, rail, ground transportation or taxi?



THE HIDDEN COSTS OF MILEAGE REIMBURSEMENT

According to Enterprise Mobility, which operates a business rental program across both its Enterprise Rent-A-Car and National Car Rental brands, corporate rental customers can save more than 25% per mile on rentals when compared to reimbursing their employees for mileage.

“Our business rental partners pay an average of 55¢ per mile. If you’re reimbursing employees at the IRS standard rate of 70¢, that’s an opportunity to reduce travel costs right there,” says Johnny Schultheiss, Vice President of NA Commercial Sales.*

Beyond cost-per-mile, Schultheiss says, employers should be considering other factors as well. “You can do the math and for a single trip – especially if it’s a shorter one – it might look like reimbursement is the better deal, but that’s not taking into account things like vehicle safety, reliability and condition. It’s much more difficult to put a dollar value on those.”

*(Estimate based on 2024 Enterprise reporting at home city locations by business rental customers in the USA. Claim assumes Enterprise business rental customers rented an ICE vehicle with a fuel efficiency of 26mpg and gas cost \$3.30/gallon.)

KEY FACTORS TO CONSIDER WHEN CHOOSING BETWEEN RENTAL AND REIMBURSEMENT

DUTY OF CARE

When employees use their own vehicles, companies won’t necessarily know how those cars are cared for, how old they are or whether they’re prone to breaking down.

FREQUENCY OF TRAVEL

For employees who travel often, the standard business mileage rate may not be enough to cover the increased wear and tear on their vehicles.

BRAND IMAGE

If an employee will be interacting with prospects, clients or partners, the car they’re driving becomes a representation of their employer’s brand.

WHEN TRAVELERS RENT CAR VS. DRIVE PERSONAL CAR?

TRAVELER CHOICE IS THE MAJOR INFLUENCE ON RENTING VERSUS DRIVING A PERSONAL VEHICLE

Close to half of organizations represented in the survey let their travelers decide if they prefer to rent a car or drive their own vehicle for a business trip. Many travelers will also rent rather than drive depending on the mileage involved. Several buyers surveyed commented that travelers will rent a car when it costs less to rent than the amount they will be reimbursed for mileage using their own vehicle. Noted one innovative buyer, “We created an analysis tool that travelers use to determine the lower cost method based on miles, number of days, rental rate, etc.”

Personal choice for travelers

48%

On trips of 200 miles or more

24%

On trips of 100 miles or more

13%

When mileage reimbursement costs will exceed \$75

11%

Other – including when cost of rental less than mileage

19%

WHEN AND WHY TRAVELERS DRIVE VERSUS FLY

Business trips closer to home base and employee preference are the top two factors that determine when travelers typically drive instead of fly for business travel. Very few travelers choose to drive even when it might be a more reliable option because the required flight is known for frequent cancellations or delays.

TOP REASONS FOR WHEN BUSINESS TRAVELERS DRIVE VS. FLY

Trips of less than 300 miles / 5 hours

54%

Trips where employees prefer to drive

52%

Trips that require stops in multiple cities where driving is easier

28%

Trips that require multiple company employees, shorter drive times

23%

Trips of less than 500 miles/8 hours

12%

Trips that are frequently disrupted (flights often cancelled/delayed)

10%

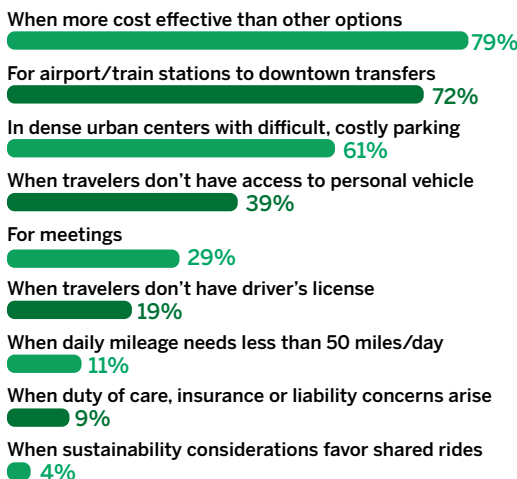
MANY BUYERS WORK WITH RIDE-HAILING APP PROVIDERS, BUT INCLUSION AS A MANAGED EXPENSE LAGS

As more travelers use ride-sharing apps (e.g. Lyft, Uber, etc.) when allowed under policy, a growing number of companies have developed business relationships with their providers. More than half of buyers surveyed are already working with a ride-hailing app provider that offers their organization or its travelers discounts, rebates, data sharing or other benefits. A small share of buyers surveyed are considering doing so in 2026 or have added ride-hailing as a managed expense category in the last year.

WHEN TRAVELERS CHOOSE A RIDE-SHARE PROVIDER VERSUS OTHER OPTIONS

In terms of their current use by travelers, survey results illustrate that a majority will typically use a ride-hailing app in three specific situations. These include when it is more cost effective than other options available, for transfers between downtown and an airport or train station, and in dense urban settings. Many travelers will also use a ride-hailing app when they don't have access to a personal vehicle.

WHEN DO TRAVELERS TYPICALLY USE APP-BASED RIDE-HAILING?



GROUND TRANSPORTATION POLICIES REMAIN LARGELY UNCHANGED

A majority of buyers surveyed have not changed their travel or expense policies on ground transportation choices in the past year, and more than two-fifths have no plans to do so in 2026.

FUTURE CHANGES TO GROUND TRANSPORTATION POLICY, TRAINING AND PROCESSES WILL FOCUS ON COST SAVINGS

Buyers are focusing future policy and training initiatives pertaining to ground transportation on cost containment/savings. For 2026, just under half of buyers surveyed plan to provide more guidance to travelers to make the most economical choice pertaining to ground transportation. Close to 20% have already added that guidance in the past 12 months.

For a majority of buyers, cost factors will drive any potential changes to policy, guidance or processes pertaining to ground transportation. At some organizations, traveler behavior and preferences will also play a role in shaping policy.

FACTORS DRIVING GROUND TRANSPORTATION POLICY, PROCESS, GUIDANCE CHANGES

Cost factors



No changes



Traveler behaviors/preferences



Trying to enhance traveler exp by simplifying, automating



Risk/liability/duty of care/geopolitical



Expense report fraud concerns



Implementation of new ground transportation tech



Sustainability/emission goals



ABOUT THIS REPORT

The BTN Group invited corporate travel managers to complete an online survey in September about fall and 2025 travel spending trends, policies and other changes. Of the 111 qualified responses, 57% said they were responsible for global managed travel programs, 38% for U.S. only programs, 27% for U.S. and Canada, 18% for Mexico, Latin America and the Caribbean, 17% for Europe, 11% for Asia Pacific and Australia and 8% for the Middle East and Africa. Percentage may not equal 100% due to rounding or because respondents could select more than one response.

About Enterprise Mobility



Enterprise Mobility™ is a leading provider of [mobility solutions](#) including car rental, fleet management, carsharing, vanpooling, truck rental, luxury rental, retail car sales and vehicle subscription, as well as travel management and other transportation technology services and solutions, to make travel easier and more convenient for customers. Enterprise Mobility, inclusive of its subsidiaries and franchisees, and affiliate, [Enterprise Fleet Management](#), manage a diverse fleet of 2.3 million vehicles through an integrated network of nearly 9,500 fully staffed neighborhood and airport rental locations in more than 90 countries and territories. Privately held by the Taylor family of St. Louis, Enterprise Mobility manages the [Enterprise Rent-A-Car](#), [National Car Rental](#) and [Alamo](#) brands.

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